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Financing of the activities arising from Security Council resolution 687 (1991): United Nations Iraq-Kuwait Observation Mission

Report of the Fifth Committee

Rapporteur: Mr. Fouad **Rajeh** (Saudi Arabia)

I. Introduction

1. The previous recommendation made by the Fifth Committee to the General Assembly under agenda item 143 (a) appears in the report of the Committee contained in document A/58/585.

2. The Fifth Committee resumed its consideration of the item at its 41st and 51st meetings, on 4 May and 3 June 2004. Statements and observations made in the course of the Committee's consideration of the item are reflected in the relevant summary records (A/C.5/58/SR.41 and 51).

3. For its consideration of the item, the Committee had before it the following documents:

(a) Report of the Secretary-General on the performance of the budget of the United Nations Iraq-Kuwait Observation Mission for the period from 1 July 2002 to 30 June 2003 (A/58/630);

(b) Report of the Secretary-General on the overview of the financing of the United Nations peacekeeping operations: budget performance for the period from 1 July 2002 to 30 June 2003 and budget for the period from 1 July 2004 to 30 June 2005 (A/58/705);

(c) Reports of the Advisory Committee on Administrative and Budgetary Questions (A/58/759 and Add.12).

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II. Consideration of draft resolution A/C.5/58/L.69

4. At its 51st meeting, on 3 June, the Committee had before it a draft resolution entitled "Financing of the United Nations Iraq-Kuwait Observation Mission" (A/C.5/58/L.69), which was submitted by the Chairman on the basis of informal consultations coordinated by the representative of Australia.

5. At the same meeting, the Committee adopted draft resolution A/C.5/58/L.69 without a vote (see para. 6).

III. Recommendation of the Fifth Committee

6. The Fifth Committee recommends to the General Assembly the adoption of the following draft resolution:

Financing of the United Nations Iraq-Kuwait Observation Mission

The General Assembly,

Having considered the reports of the Secretary-General on the financing of the United Nations Iraq-Kuwait Observation Mission[1] and the related reports of the Advisory Committee on Administrative and Budgetary Questions,[2]

Recalling Security Council resolutions 687 (1991) of 3 April 1991 and 689 (1991) of 9 April 1991, by which the Council decided to establish the United Nations Iraq-Kuwait Observation Mission and to review the question of its termination or continuation every six months, and resolution 1490 (2003) of 3 July 2003, by which the Council decided to continue the mandate of the Observation Mission for a final period until 6 October 2003,

Recalling also its resolution 45/260 of 3 May 1991 on the financing of the Observation Mission and its subsequent resolutions and decisions thereon, the latest of which was decision 58/559 of 23 December 2003,

Reaffirming the general principles underlying the financing of United Nations peacekeeping operations, as stated in General Assembly resolutions 1874 (S-IV) of 27 June 1963, 3101 (XXVIII) of 11 December 1973 and 55/235 of 23 December 2000,

Expressing its appreciation for the substantial voluntary contributions made to the Observation Mission by the Government of Kuwait and the contributions of other Governments,

Mindful of the fact that it is essential to provide the Observation Mission with the necessary resources to enable it to meet its outstanding liabilities,

1. *Takes note* of the status of contributions to the United Nations Iraq-Kuwait Observation Mission as at 15 April 2004, including the contributions outstanding in the amount of 7 million United States dollars, representing some 2 per cent of the total assessed contributions, notes with concern that only eighty-one Member States have paid their assessed contributions in full, and urges all other

[1] A/58/630 and A/58/705.

[2] A/58/759 and Add.12.

Member States, in particular those in arrears, to ensure the payment of their outstanding assessed contributions;

2. *Expresses its continued appreciation* of the decision of the Government of Kuwait to defray two thirds of the cost of the Observation Mission, effective 1 November 1993;

3. *Expresses its appreciation* to those Member States which have paid their assessed contributions in full and urges all other Member States to make every possible effort to ensure payment of their assessed contributions to the Observation Mission in full;

4. *Expresses concern* at the financial situation with regard to peacekeeping activities, in particular as regards the reimbursements to troop contributors that bear additional burdens owing to overdue payments by Member States of their assessments;

5. *Also expresses concern* at the delay experienced by the Secretary-General in deploying and providing adequate resources to some recent peacekeeping missions, in particular those in Africa;

6. *Emphasizes* that all future and existing peacekeeping missions shall be given equal and non-discriminatory treatment in respect of financial and administrative arrangements;

7. *Also emphasizes* that all peacekeeping missions shall be provided with adequate resources for the effective and efficient discharge of their respective mandates;

8. *Endorses* the conclusions and recommendations contained in the report of the Advisory Committee on Administrative and Budgetary Questions,[3] and requests the Secretary-General to ensure their full implementation;

Financial performance report for the period from 1 July 2002 to 30 June 2003

9. *Takes note* of the report of the Secretary-General on the financial performance of the Observation Mission for the period from 1 July 2002 to 30 June 2003;[4]

10. *Decides* that, taking into account the unencumbered balance and other income in the total amount of 12,657,400 dollars in respect of the financial period ended 30 June 2003, Member States that have fulfilled their financial obligations to the Observation Mission shall be credited their respective share of the unencumbered balance and other income in the total amount of 4,295,733 dollars, in accordance with the levels set out in resolution 55/235, as adjusted by the General Assembly in its resolutions 55/236 and 57/290 A of 20 December 2002, and taking into account the scale of assessments for 2003, as set out in its resolutions 55/5 B of 23 December 2000 and 57/4 B of 20 December 2002;

11. *Decides also* that for Member States that have not fulfilled their financial obligations to the Observation Mission, their respective share of the unencumbered balance and other income in the total amount of 4,295,733 dollars in respect of the

[3] A/58/759/Add.12.

[4] A/58/630.

financial period ended 30 June 2003 shall be set off against their outstanding obligations, in accordance with the scheme set out in paragraph 10 above;

12. *Decides further* that the decrease of 114,900 dollars in the estimated staff assessment income in respect of the financial period ended 30 June 2003 shall be set off against the credits from the amount referred to in paragraphs 10 and 11 above, and that the respective shares of Member States therein shall be applied in accordance with the provisions of those paragraphs, as appropriate;

13. *Decides* that, taking into account the voluntary contribution of the Government of Kuwait in respect of the financial period ended 30 June 2003, two thirds of the net unencumbered balance and other income in the total amount of 8,361,667 dollars in respect of the financial period ended 30 June 2003 shall be returned to the Government of Kuwait;

14. *Emphasizes* that no peacekeeping mission shall be financed by borrowing funds from other active peacekeeping missions;

15. *Decides* to include in the provisional agenda of its fifty-ninth session, under the item entitled "Financing of the activities arising from Security Council resolution 687 (1991)", the sub-item entitled "Financing of the United Nations Iraq-Kuwait Observation Mission".